



PacifiCare/UnitedHealthcare Request for Proposals

Overview

In December, 2005, PacifiCare Health Systems (“PacifiCare”), a California-based company that owns and operates health plans and other health-related businesses, merged with UnitedHealth Group Incorporated (“UnitedHealth”). As part of that merger, PacifiCare and UnitedHealth committed to contribute certain funds in furtherance of their commitment to the California community. This commitment is intended to focus on programs that benefit California health care consumers, including the following categories that are the focus of this Request for Proposal (the “RFP Charitable Commitment Categories”):

- Technology improvements for safety net providers (Note: United/PacifiCare will use a broad definition of “safety net provider,” that may include but not be limited to federally qualified health centers, rural health clinics, disproportionate share hospitals, critical access hospitals, school-based health centers, county health departments, migrant health centers, and traditional safety net providers as defined in 10 CCR section 2699.6805);
- Medical education programs in traditionally underserved communities in California;
- Population-based preventive health strategies;
- Health care information technology initiatives designed to improve health care delivery in California;
- Support for Coordinated Care Initiatives. (The Coordinated Care Initiatives are research and informational activities designed to improve and promote understanding of issues related to health care delivery within the coordinated care model in California)
- Cash or in-kind contributions to help establish and support health care information technology initiatives designed to improve health care delivery

PacifiCare and UnitedHealth will distribute the aggregate amount of \$25 million to the RFP Charitable Commitment Categories through application-based grants to organizations identified through this Request for Proposals (“RFP”).

Eligibility criteria

- Applicants must be entities that deliver health care services, facilitate the delivery of health care services, through information technology or otherwise, or train health care professionals in California.
- Preference will be given to public entities or nonprofit organizations tax exempt under Section 501(c) (3) of the Internal Revenue Code.
- Awards will not be considered for: normal operating expenses, endowments, fundraising events, development campaigns, political causes, political candidates, legislative lobbying efforts, or travel for groups or individuals.

Selection criteria

- Consistency with the RFP Charitable Commitment Categories as defined above;
- Number of individuals impacted in California;
- California geographic area served;
- Financial and operational strength of the organization;
- Ability to create sustainable improvements in California communities (i.e., is the proposed benefit of the grant likely to be present and observable over a long period of time?);
- Ability to create measurable impact on California communities (i.e., is the project likely to produce results that can be replicated?);
- The health care service needs of the target population;
- Potential of project to leverage other funds for maximum impact;
- Feasibility of proposed objectives, timeline and budget; and
- Organizational viability of applicant

Award amounts

Awards generally will range from \$100,000 to \$5,000,000, depending on the number of qualified responses, the amount being requested, and the strength of the particular application. Awards will be granted during four cycles over the next three years, with approximately one-quarter of the \$25 million commitment disbursed in each cycle.

Proposal submission and review process

There will be four submission periods during which proposals will be accepted. The calendar of submission periods is outlined below. Proposals should be submitted according to the calendar below via hard copy to:

PacifiCare/United RFP
c/o D. Munakata
PacifiCare of California
Mail Stop CA112-0267
5995 Plaza Drive
Cypress, California, 90630

It is the responsibility of the applicant to assure proper receipt of all proposals by the deadlines noted below. Any proposal received after the deadline for any submission period will not be considered, but may be resubmitted in the next submission period, to the extent that additional

submission periods exist. It is the applicant's responsibility to resubmit the entire application for the next submission period; PacifiCare/UnitedHealth will not save, nor be responsible for, furnishing applications for the next submission period. An applicant may submit a proposal in more than one submission period, but may only submit one proposal per review period. However, proposals submitted should not be contingent on future awards for their viability and effectiveness.

Proposals will be reviewed and scored against the criteria listed above by a committee of PacifiCare/UnitedHealth representatives. PacifiCare/UnitedHealth will develop a list of finalist proposals for review by the California Department of Insurance and the California Department of Managed Health Care. In the absence of a good-faith objection from DMHC or CDI within 20-business days of receipt from UnitedHealth, the proposals will be deemed approved. Award recipients will be notified in writing approximately 60 days after the deadline for submittal for the applicable review period. Applicants that are not awarded grants will also be notified in writing. Proposal submissions will not be returned to applicants.

Submission Period	Approximate Award Period
August 27, 2007 – 5:00 PM October 12, 2007	December, 2007
January 2, 2008 – 5:00 PM February 19, 2008	April, 2008
July 2, 2008 – 5:00 PM August 18, 2008	October, 2008
January 5, 2009 – 5:00 PM February 20, 2009	April, 2009

Note: All times are in the Pacific Time Zone.

Evaluation and Monitoring/Reporting requirements

Organizations that receive awards will be required to submit reports demonstrating that the contributed funds have been utilized in accordance with the material terms of recipient's proposal. The reporting schedule and format will be determined with the award recipient, depending on the scope and duration of the proposed project.

Public Communications Regarding Awards

As a condition of accepting an award under this RFP, proposed awardees will be asked to agree in writing to communication protocols regarding grants, the PacifiCare/United organization, and related topics.

Application Instructions

Applicants should submit three complete copies of the proposal narrative, which may not exceed 10 double-spaced pages in 12 point font. The proposal narrative should address the Eligibility Criteria and the Selection Criteria identified above, in addition to the following:

- Organizational purpose and current scope of activities;
- Community served by the organization, including geographic, racial and ethnic communities;
- Proposed amount and use of funds;
- Community need for project to be funded;
- Anticipated impact of project and potential for sustainability; and
- Observations on how and to what extent learnings from the project can be transferred to other communities in California.

Applicants should also submit three complete copies of the following:

- Detailed budget accompanied by budget narrative (including sensitivity analysis)
 - Note: PacifiCare/UnitedHealthcare has established a “ceiling” of 15% for indirect cost charges included within grant proposals. **This change applies to all three of the remaining submission cycles included in the PacifiCare/UnitedHealthcare RFP.** Indirect cost charges should be included as a line item in the detailed budget of each proposal and should be calculated as follows:

$$\text{Indirect costs} \leq .15 * (\text{Total Direct Costs})$$

Applicants should note that all indirect costs will be weighed in the selection process in consideration of the anticipated impact and value of grant dollars spent.

- Detailed work plan;
- Certified financial statements for the most recent fiscal year;
- Staff qualifications including resumes for key personnel;
- Disclosure of any organizational board members or staff with potential conflicts with United, PacifiCare, the California Department of Insurance, the California Department of Managed Care or the State of California and;
- Key contact information.

Applicants are also requested to provide a copy of the narrative and all materials noted above in an electronic format (i.e., stored on CD or other appropriate storage device). Electronic files should not be delivered via electronic mail.

Materials submitted, other than those specified above, will not be considered in the review of any application.

Additional Information

Questions regarding this RFP may be directed via email to CACCRFP@PHS.com.